SOCIAL PLANNING
COUNCIL
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Report of the

Social Planning Council Task Force
on Work-Related Day Care

November 1982

Social Planning Council
of Metropolitan Toronto
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Introduction

The Task Force on Work-Related Day Care was created by the Board of the Social Planning Council of Metropolitan Toronto. Our mandate was to examine the issues involved with work-related day care, and to make policy recommendations where relevant.

Meeting regularly from May through August, 1982, the Task Force reviewed the available information on the subject. We were fortunate to have on the Task Force a group of hard-working, involved people who were willing to spend long hours sorting out the complex issues. Their report lives up to the original mandate of the Task Force.

On behalf of the Social Planning Council, I thank the Task Force members for their hard work, their taking time off from busy schedules, and in particular for the valuable policy recommendations they have made in the controversial field of work-related day care services.

Victor Schwartzman
Chair,
Task Force on Work-Related Day Care

SOCIAL PLANNING COUNCIL
OF METROPOLITAN TORONTO

November 10, 1982

EXECUTIVE SUMMARY
Report of the
Task Force on Work-Related Day Care

The Task Force sees work-related day care within the context of the current shortage of day care spaces. Work-related day care is part of the overall group of day care services. It is one way in which new day care spaces can be created at a time when quality day care centres have lengthy waiting lists.

By definition, a work-related day care can be run in a wide variety of ways, with various combinations of employers and employees controlling the service. *The Task Force recommends employee-controlled day care.* This format gives parents -- the employees -- the greatest participation in and control of the day care service.

No matter who runs the day care service, however, it should always be remembered that day care services are for the children. The needs of the children involved must take priority in any day care arrangement. Should there be any conflict of needs in a work-related day care situation -- either between parents, children or employer then, in principle, the child's needs must always dominate.

Policy Principles:

- *Families in our society must be guaranteed the fundamental right to have supervised quality day care services that are affordable, accessible and of a quality conducive to raising a child properly.*

- *There must be a priority placed on rapidly expanding the number of supervised, regulated day care spaces available to working parents.*

The Task Force Recommends:

- *Day care aid from the governments should be increased in a three-part program:*
  1) *Funding to establish a Day Care Foundation similar to Foundations set up to encourage Co-operative housing, to aid in the development of new day care services, and in the improvement of existing services.*
  2) *Increased direct grants to day care services and providers.*
  3) *Increased tax credits for working parents to cover all day care costs.*
- *work-related day cares do not purchase or rent spaces for themselves in existing day cares.*
- *non-profit day care.*
- *no work-related day care be arranged at the expense of already existing day care services.*
- *all work-related day care services maintain the legal requirements currently governing such services.*
- *special care should be taken to ensure that the environment is healthy and safe, and that there is easy access to outdoor play areas.*
- *work-related day care services, as well as other day care services, serve a wide range of children, from infancy through school age.*
- *tax incentives should be increased to aid employers involved in establishing a work-related day care, if there is significant employee control of day care policy and administration.*
- *work-related day care should be equally available to all employees of a company.*
- *employee-controlled day care.*
- *day care hours of service are adjusted to suit parents and children's needs.*
- *day care guidelines must be set up which guarantee stability of access to day care space once the child is enrolled.*

Social Planning Council Task Force
on Work-Related Day Care

Membership

1.	Victor Schwartzman, Chair	Board Member, Social Planning Council
2.	Marlene Axler	Director, Hester How Day Care
3.	William E. Bateman	Lawyer, Havrlant Robinson Bateman
4.	Jane Bertrand	Director, York University Cooperative Day Care Centre
5.	Judy Jordan	Board Member, Social Planning Council
6.	Ann Kirkland	Board Member, Social Planning Council
7.	Bruce Laughton	Assistant Administrator, Hospital for Sick Children
8.	Earl Miller	Board Member, Social Planning Council
9.	Carol Paasche	Co-ordinator, Early Childhood Education Program, Seneca College
10.	John Pepin	Board Member, Social Planning Council
11.	Margaret Smith	Representative, Labour Council of Metropolitan Toronto/O.H.E.U., CUPE 1000

Social Planning Council Staff

Laura C. Johnson, Program Director

Barbara Woolley, Secretary

Policy Principles

The following section contains our basic policy principles and background thinking regarding Work-Related Day Care.

1.1 We live in an age where almost half of the mothers of pre-school age children in Canada are in the labour force.[1] Real incomes have not kept pace with inflation. Many families face a hard fight simply to make ends meet. Most working mothers labour to bring the family income up to a reasonable standard, not for luxuries.[2]

1.2 Considering the above, it should not be necessary to explain why day care is a vital necessity for workers, but the under-funding of day care services makes us state the obvious: the Task Force recommends that *families in our society be guaranteed the fundamental right to have supervised quality day care services that are affordable, accessible and of a quality conducive to raising a child properly.*

1.3 The under-funding of day care services has led to a crisis situation in Metropolitan Toronto. Only 12 per cent of the children of parents who work outside the home are in licenced, supervised day care facilities. The Task Force recommends that *there must be a priority placed on rapidly expanding the number of supervised, regulated day care spaces available to working parents.*

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1. Statistics Canada, unpublished Labour Force Survey tabulations indicate that the 1981 participation rate for mothers with children age 0 - 5 in Canada was 47.2 per cent.

2. A study by the National Council of Welfare subtracted wives' earnings from the incomes of Canadian families and assessed the remainder according to the Statistics Canada poverty lines. Their figures reveal that for the year 1975, without the earnings of working wives, 51 per cent more 2-parent families would have fallen below the poverty line -- resulting in an increase in the number of impoverished families from 9 per cent to 14 per cent. National Council of Welfare, Women and Poverty, October 1979, p.21, Table 3.

1.4 Creating the conditions under which quality supervised day care is equally accessible to all who need it is the joint responsibility of all sectors of our society, because care of children is a responsibility of our society as a whole. Employers, as one segment of our society, share this responsibility. The responsibility is also shared by employee organizations. And it is the particular responsibility of the three levels of government to create an environment which fosters the creation of additional day care options for working parents.

1.5 The Task Force sees work-related day care within the context of the current shortage of day care spaces. It is part of the overall group of day care services, one way in which new day care spaces can be created at a time when quality day care centres have lengthy waiting lists. The Task Force recommends *that no work-related day care be arranged at the expense of already existing day care services.*

1.6 Work-related day care can involve several formats. It can be run entirely by the employer, who maintains control over management and finances ... be a shared responsibility between employer and employees ... or be run entirely by an employee organization. The Task Force recommends *employee-controlled day care.* This format gives parents--employees--the greatest participation in and control of the day care service.

1.7 Work-related day care can involve one company, or can serve the needs of several. It can be located on the work site itself (ON SITE), be close by (NEAR SITE), or be a distance removed (OFF SITE). The Task Force recommends *that all work-related day care services maintain the legal requirements currently governing such services.* Where possible, these standards should be seen as minimum and not maximum requirements. When on site or near site day care services are

considered, the Task Force recommends that *special care should be taken to ensure that the environment is healthy and safe, and that there is easy access to outdoor play areas.*

1.8 Work-related day care services can also take the form of purchasing or renting spaces in already existing day care centres. As this would create additional pressure on existing sites which already can not fully serve the community needs, the Task Force recommends that *the purchasing or renting of spaces in existing day cares not be considered.*

1.9 The Task Force recommends that *work-related day care services, as well as other day care services, serve a wide range of children, from infancy through school age.* Services should be available to help parents who work on shift jobs, such as overnights. If needed, day care services should be available on a twenty-four hour basis.

1.10 The Task Force recommends *non-profit day care.* In principle, a day care can be run properly on a profit basis. However, we believe that in a profit-oriented day care, quality may be jeopardized by the need to minimize costs. Wages in such day care centres are often poor, even in comparison to the unacceptably low wages normally paid to day care professionals. Staff turnover in some profit-run day cares has reached fifty per cent, a situation hardly in the best interests of the children. The need to earn a profit can also result in skimping on resources.

1.11 Because of the expense of running non-profit day care services, the Task Force recommends *increased assistance from government in three ways:*

a) *New funding for day care services by government should be created, modelled after the approach taken to foster co-operative housing. Labour, industry and other organizations, with funding from government, should establish a Day Care Foundation.* The role of such a Foundation would be to help expand the provision of all day care services, including work-related day care. The Foundation would help organize new day care centres, providing administrative and financial assistance.

b) *Direct grants by governments to day care centres be increased, to improve services available.*

c) *Tax credits for working parents using day care services be increased to cover the full cost of such services.*

1.12 The Task Force wishes to stress that day care services are for children. The needs of the children involved must take priority in any day care arrangement. Should there be any conflict of needs in a work-related day care situation -- either between parents, children or employer -- the child's needs must always dominate.

Issues

2.1 The Task Force found it useful to break down the issues over work-related day care into three groups: *family*, *employer* and *community*.

2.2 FAMILIES -- POSITIVE ASPECTS

a) The day care service may be wholly or partially subsidized by the employer, or by the employee association. This would be particularly helpful for employees on the lower end of the income scale. As a fringe benefit, day care would be welcome.

b) With day care located close to or at the place of employment, a parent would save money on transportation costs.

c) The parent may spend less time travelling if the day care was located conveniently close to work.

d) Time in transit can be quality time -- the parent and child would spend more time together.

e) On site or near site day care can help to humanize the workplace. Parents and nonparents alike can be uplifted by the presence of children and the creation of a family atmosphere. The child gets to know and appreciate what the parent does at work.

f) The child would be physically closer to the parent then in a residential-located day care. Lunchtime or coffee-break visits are beneficial to child and parent.

g) Should the child be injured or ill, the parent would be close by to help.

h) Nursing mothers would find it easier to breast feed their child.

i) Both parents would have the opportunity to work should a new day care space become available, increasing the family's income.

j) With twenty-four hour day care service, the parent would be available to work a greater variety of shifts, increasing her/his income and opportunities for advancement within the company.

k) The parent can more readily monitor the quality of service the day care provides when it is near the work place. More opportunity is available for parent input into day care operations, and for parents to get to know day care service providers.

2.3 FAMILIES -- NEGATIVE ASPECTS

a) If the day care is not near the home, parents may find it difficult to make pre and after-hours arrangements for their children (i.e., having someone else pick up the child). *Recommendation: If the work-related day care hours are adjusted to suit parents' needs, some of the problem will be alleviated.*

b) Use of an employer-run work-related day care can tie a parent to one particular employer. Wages could be kept low by offering a day care as a fringe benefit. An unscrupulous employer could take advantage of the fact that the child was looked after, making an employee work overtime and overnight shifts.

Parents must choose employers as carefully as feasible in these times of high unemployment, weighing as they normally would all the factors before accepting a job which offers fringe benefits, including work-related day care. While it is possible that having one's child in a work-related day care would make it more difficult to leave that employment, the Task Force does not believe it would make it impossible. We feel that the best guarantee of employee interests is when employees have both a written contract with the employer as well as a formalized grievance procedure, protected by a union.

c) Transit time with the child will most likely be increased, particularly during rush hour. Under such conditions, the child may not enjoy transit time, may be frightened or cranky or bored. In addition, the parent may be preoccupied with work problems, or be tired when coming off work,

and therefore may not be able to attend to the child's needs. A tired parent and child stuck in a crowded subway car for half an hour is not a promising combination.

Not every situation will be acceptable to parent and child. The location of the day care, the travel time, type of transit, how long the trip takes, and time of day must all be taken into account. We note that even under trying conditions there usually exist methods for turning travel time into an enriching experience. Numerous books are available containing a variety of suggestions. But of course parents must plan ahead and then have the energy to carry out the plan.

d) The child may not enjoy being removed from the local community and neighbourhood friends.

Going into new parts of town and spending more time with the parent are the positive sides of the situation.

e) In employer-run day care, the child's eligibility for day care services, and the status of the child within the day care, may get tied to the status of the employee-parent. There may be inequitable availability of day care spaces among employees because of the employer giving certain employee-groups preferential treatment.

The Task Force recommends that *access to day care should be on an equitable basis for all employees.* Preferential treatment should be given only on an emergency basis. Employees must monitor the day care operation to ensure that it is run to meet the needs of the children. Day care providers must be particularly alert, making certain the children receive equal quality of care, in proper regard to the equity principle.

f) In an employer-run day care should the parent go on maternity leave, drop out of employment due to a prolonged illness, or leave the job, the child may be forced out of the day care by the employer, to make room for the child of a new employee.

Recommendation: Day care guidelines must be set up which guarantee stability of access to day care space once the child begins participating.

Continuity of care should always take priority over the use by an employer of a work-related day care as a personnel tool. Stability of care is vital. Should a parent stop working for an employer for any reason, the child in the work-related day care should have the right to remain in the day care for a reasonable amount of time, while the parent searches for a space in another day care.

g) Children at the day care may form friendships with children who live on the other side of town, increasing travel time for the parents when the children wish to visit each other.

Increased travel time and cost must be weighed against the value of the new friends, the involvement of the child in another part of the city, and so on.

h) More responsibility for day care maintenance and operation may be thrust on the parents.

Especially in employee-run day care, there is the likelihood of increased parent participation. We believe this to be very positive. However, some parents, for legitimate reasons, may wish to have as little as possible to do with

running the day care. For these parents, we feel it's as likely that they will find ways to avoid participation in a work-related day care as in a community-located day care.

i) Parents could no longer equally split child care if the child was at the work place of one parent. Suddenly that parent would have all the responsibility for travelling to and from the day care, and possibly all the responsibility for parent contact with the day care and its staff.

This is a problem both parents must discuss in advance. Presumably there would be trade-offs, with parents rescheduling their time with the child. For example, the parent "stuck" with added responsibilities could not cook, not give the child an evening bath, etc.

j) Employees may be "stuck" with inferior day care services.

Parents must always be alert, careful consumers of day care services. Quality must be constantly monitored in any day care arrangement, whether work-related or not. However, we note that in a work-related day care situation parents stand a good chance of ensuring day care quality. In work-related day care, by definition the parents are working together in the same organization, and therefore can easily organize themselves.

k) An employer may operate a day care as a profit-oriented company service.

Quality of service in a day care should never be sacrificed for profit. We have already noted the problems inherent in profit-oriented day

cares, and have recommended against such operations. Employees should judge every day care situation for themselves, and should withhold their children from any day care providing inferior service.

2.4 EMPLOYER -- POSITIVE ASPECTS

a) Offering a day care service as a fringe benefit can aid in recruiting new employees.

b) Employee turnover may drop if the day care service was of high quality, as employees would have an additional incentive to stay with the company.

c) Absenteeism could decrease. Parents do not have to leave the workplace for as long a period of time should they be called to the day care when a minor problem arises.[3]

d) Worker productivity may increase. With the child closer at hand, greater worker peace of mind -- and greater productivity at work -- may be part of the benefits.

e) Retraining and personnel problems may decrease as staff turnover drops.

f) The employer can improve employee relations and the company image by being seen as a "good corporate citizen."[4]

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3. The role of work-related day care in reduction of employee absenteeism, tardiness, and improvement of employee morale has been documented for the U.S. by Kathleen S. Perry, Survey and Analysis of Employer-Sponsored Day Care in the United States, unpublished doctoral dissertation, University of Wisconsin-Milwaukee, 1978.

   On a single case-study basis, one high-technology employer, Intermedics in Freeport, Texas, reports that its workplace day care centre has resulted in substantial savings from reduced absenteeism, decreased staff turnover, and increased recruitment advantages.

4. One example of positive publicity for a company sponsoring workplace day care is the Stride Rite Children's Centre run by the Stride Rite Shoe Company in Massachusetts for children of its employees and from the surrounding community.

g) Employer affirmative action programs would be assisted by the increased availability of day care space. More positions -- and promotions -- would be made available to women.

h) The employer could benefit from the increased participation of women at all levels of the company, as the talent pool of the staff would be increased.

i) It is likely that the number of employees available for overtime work and shift work would increase, provided the day care service hours were expanded appropriately. Parents could earn extra money and not have to worry about leaving early to pick up their children.

2.5 EMPLOYER -- NEGATIVES

Many of these negative aspects could be eliminated if the employer were to share control of the day care with employees, or allow complete employee control of day care policy.

a) Day care can be expensive to run. Setting it up requires staff time. Money may have to be spent to prepare the physical site. Subsidies to lower income employees can increase costs.

Recommendation: Tax incentives should be increased to aid employers involved in establishing a work-related day care, if there is significant employee control of day care policy and administration.

b) Children onsite or nearsite could be a distraction for employees, lowering productivity.

This should not be a problem if the day care is properly run. The closer presence of their children may allow parents a greater peace of mind, and therefore possibly increase productivity.

c) Problems with day care operations may increase friction between the employer and employee.

This is a danger where the employer insists on taking all responsibility for the day care. The problem would not exist with a day care allowing significant levels of employee-parent participation.

d) Setting up a work-related day care increases the employer's responsibility for workers.

We feel that greater employer responsibility for employees is good.

e) The employer may end up subsidizing or maintaining a space for the child of a parent who has left the company's employ.

Recommendation: Stability of care for the child, and the child's needs, must take priority in any situation. The day care should have established regulations allowing a reasonable amount of time for a parent who has left the employer to find another quality space for the child involved.

f) A day care service, if unsuccessful, would be hard to wind down. Day care staff would have to be let go, the company's employees would lose a fringe benefit, etc.

Winding down a day care would be difficult and costly. It should be handled as would be the winding down of any fringe benefit -- i.e., through employer-employee negotiations.

2.6 COMMUNITY -- POSITIVES

a) Total number of day care spaces available would be increased, enabling more workers to enter the labour force.

b) Working parents would be given additional day care options, from which they can select the one best suited to their needs.

c) The social assistance needs of some people would decrease because they would now have day care and be able to work, or because some day care costs may be subsidized.

d) Day care services would appear in new parts of the city, helping to revitalize some areas.

e) It is possible that infant care spaces in particular would be increased.

f) Affirmative action programs would be assisted.

g) Employers would become more involved in community issues, in particular with the problems of working parents.

h) The social acceptance of day care would be increased.

i) Family life, and therefore community life would be upgraded by increased parent-child time together.

2.7 COMMUNITY -- NEGATIVES

It is possible that the community could feel negative affects from the development of work-related day care. The real danger will come if there is a proliferation of work-related day care programs in the absence of a similar expansion of other forms of day care service delivery. Children's access to day care should not be tied to the parents' employment status. It is important to note that we see work-related day care as being a part of the overall day care service picture, and only as a part.